



**CITY OF SCOTTSDALE  
TOURISM DEVELOPMENT COMMISSION  
REGULAR MEETING**

**Tuesday, June 18, 2019**

**Kiva Forum – City Hall  
3939 N. Drinkwater Boulevard  
Scottsdale, Arizona 85251  
**APPROVED MINUTES****

**PRESENT:** Linda Dillenbeck, Chairperson  
Camille Hill, Vice Chair  
Jeanne Alspaugh  
Sherry Henry  
Ken McKenzie  
Richard Newman  
David Winter

**STAFF:** Steve Geiogamah  
Ana Lia Johnson

**GUESTS:** Rachel Pearson, Experience Scottsdale  
Caroline Stoeckel, Experience Scottsdale

**1. Call to Order/Roll Call**

Chair Dillenbeck called the meeting of the Scottsdale Tourism Development Commission to order at 8:00 a.m. and noted the presence of a quorum. Chair Dillenbeck welcomed new Commissioner, Jeanne Alspaugh.

**2. Approval of Minutes**

- May 21, 2019 Regular Meeting Minutes

Chair Dillenbeck called for comments and/or changes. There were none.

COMMISSIONER MCKENZIE MOVED TO APPROVE THE REGULAR MEETING MINUTES OF THE TOURISM DEVELOPMENT COMMISSION OF MAY 21, 2019 AS PRESENTED. COMMISSIONER WINTER SECONDED THE MOTION, WHICH CARRIED 7-0 WITH CHAIR DILLENBECK, VICE CHAIR HILL, COMMISSIONERS ALSPAUGH, HENRY, MCKENZIE, NEWMAN AND WINTER VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

### **3. Experience Scottsdale Third Quarter Performance Measure Report**

Rachel Pearson, Experience Scottsdale, discussed third quarter results from January through March of this year. One of the out-of-home campaigns included large scale murals in New York City's Penn Station and Toronto's PATH underground walkway and transit station. These advertisements brought in over 40 million advertising impressions. There was also a contest, which garnered over 9,300 entries for people to win a chance to come to Scottsdale. The convention sales team this year has brought in over 470 groups, accounting for over 153,000 incremental room nights.

The communications team has generated approximately 800 articles thus far this year. Thirty-six journalists were brought in for spring training, including a San Francisco TV station, who ran four segments over the course of the month. The tourism team has met with over 2,700 individuals one-on-one. They are on pace to meet or exceed all performance measurements for the City. In the coming months, Experience Scottsdale will return to discuss the programs worked on over the past few months, including the second annual It's that Hot summer campaign. They continue to run the summer meetings campaign, which has helped to bring 25 new meetings to Scottsdale during the summer months. These meetings will account for over 34,000 room nights. In addition, over 100 travel professionals from the United Kingdom and Ireland were hosted in Scottsdale.

Chair Dillenbeck stated that it was impressive to see them at 128 percent of goal for generating brand engagements. She asked whether it is one specific factor or a combination that has created the result. Caroline Stoeckel, Experience Scottsdale, stated that brand engagement means anytime a visitor does outreach of some sort or connects in a particular way is counted toward the goal. This may include opening an email, following on social media, viewing a video on YouTube. This year there has been an uptick in views on their YouTube channel, which has accounted for many of the engagements. This week, they also launched a live chat and in less than two days, they have chatted with 25 new customers.

Chair Dillenbeck asked if Toronto is a new market for the out-of-home campaigns. Ms. Stoeckel stated that they have been in Toronto in the past. The Toronto station was determined to be a facility used by many Canadians in the Toronto market.

Vice Chair Hill inquired as to next steps a website visitor will follow after clicking to obtain information. Ms. Stoeckel stated that the call to action in terms of the Toronto and New York programs was to visit the website to enter to win a trip. The home page also includes a call to action for people to download or order a visitor guide. This has helped to grow the contact database to 60,000.

**4. Event Funding Program Recommendations**

- a. AZ Fall Championship - \$19,000
- b. Day of the Dog - \$15,000
- c. World Gay Rodeo Finals - \$15,500
- d. Scottsdale Arabian Horse Show - \$30,000
- e. Triple Crown Spring Baseball Championships - \$5,000
- f. Desert Super Cup Soccer - \$5,000

Steve Geiogamah stated that the process has been changed for the application-based event funding programs. They no longer use the working group, which is comprised of commissioners and Experience Scottsdale and City staff. They will use the working group when necessary related to event funding program criteria development in the future.

Commissioner McKenzie asked how much money remains in FY 19/20. Mr. Geiogamah stated that the balance at this time is approximately \$511,000.

COMMISSIONER MCKENZIE MOVED TO APPROVE THE EVENT FUNDING AS PRESENTED. COMMISSIONER HENRY SECONDED THE MOTION, WHICH CARRIED 7-0 WITH CHAIR DILLENBECK, VICE CHAIR HILL, COMMISSIONERS ALSPAUGH, HENRY, MCKENZIE, NEWMAN AND WINTER VOTING IN THE AFFIRMATIVE WITH NO DISSENTING VOTES.

**5. Staff Reports**

- a. **Staff Bed Tax Collection Report**
- b. **Staff Bed Tax Hotel Classification Report**
- c. **Bed Tax Proforma**
- d. **Program Updates**

Mr. Geiogamah reported that March bed tax collections for the month were up 13 percent. Year to date collections are up 17 percent. The average daily rate continues to be high, driving the numbers through the fiscal year. Miscellaneous retail tax collections are up year-to-date 7 percent and restaurants are up 10 percent. For the classification report, resorts are up 4.4 percent. Full-service properties are trending down 3.7 percent. Limited are up 13.9 percent. Feedback from the tax department is that the full-service property downward trend is related to slow payments from two specific properties. For the bed tax proforma, little has changed from last month. They have updated a few events the Commission has recommended to go to City Council. These include the National Taco Championship and Wonder Space event funding. Contracts will be going to City Council next week.

For the Smith Travel Report, occupancy remain up 1.1 percent, 69.8 percent over the past 12 months, both RevPAR and average daily rate continuing to be strong in the market area. The segmented trend report shows transient is basically flat over the past 12 months. Group is up 3.7 percent. For the past three months in the Downtown area, there has been some flattening in occupancy. North continues to show occupancy down for the past 10 out of 12 months. Average daily rate continues to be strong and continues to be pushing the bed tax numbers.

Chair Dillenbeck asked how long the City has been collecting other transient hotel tax and how the data for March of this year compares to March of last year. Mr. Geiogamah said he was unable to provide specifics on the timing but would follow up. They are not yet at the point where they can obtain a comparison to provide a good trend figure.

Commissioner McKenzie asked for a refresher in terms of the property borders. Mr. Geiogamah stated that the Downtown area roughly ends on the northern boundary at Camelback road with one southern end property located on McDowell Rd. There are approximately 17 properties in the area.

Vice Chair Hill asked whether the decline in properties handling groups is because they are going to other destinations. Ms. Pearson stated that there are several factors, including cost and accessibility.

Mr. Geiogamah said they will continue to monitor and provide feedback. He will confer with tax audit to see if there is in additional information from a collection standpoint.

Commissioner Winter asked whether the Great Wolf Lodge opening in September is considered a resort. Mr. Geiogamah said he would have to look at the specific classifications. Based upon what he knows at this time, he believes it would be classified as a resort.

## **6. Public Comment**

There were no public comments.

## **7. Identification of Future Agenda Items**

Discussion ensued regarding the upcoming meeting agenda. There was consensus to cancel the July meeting.

The next Commission meeting will be on August 20, 2019. Staff will present the work study agenda. The Day of the Dead will be coming forward for new event development. There will be an update on tourism reports.

## **8. Adjournment**

With no further business to discuss, being duly moved by Commissioner McKenzie and seconded by Commissioner Newman, the meeting adjourned at 8:23 a.m.

AYES: Chair Dillenbeck, Vice Chair Hill, Commissioners Alspaugh, Henry, McKenzie, Newman and Winter

NAYS: None

SUBMITTED BY:

eScribers, LLC